

HOUSE MAJORITY WHIP
JAMES E. CLYBURN
THE DAILY WHIPLINE

Thursday, November 8, 2007

House Meets At...	Votes Predicted At...
10:00 a.m. For Legislative Business	Last Vote: 7:00-8:00 p.m.
Ten "One-minutes" Per Side	

Any anticipated Member absences for votes this week should be reported to the Office of the Majority Whip at 226-3210.

Floor Schedule and Procedure

- **Complete consideration of H.R. 3688 – United States-Peru Trade Promotion Agreement Implementation Act (Rep. Hoyer-Ways and Means):** Pursuant to the rule, remaining debate on the bill will be managed by Ways and Means Committee Chair Rep. Charles Rangel, or his designee, Rep. Michaud, or his designee, Rep. McCrery, or his designee, Rep. Boehner, or his designee, each for five minutes, and will proceed as follows:
 - Twenty minutes of debate on the bill.
 - Vote on final passage of the bill.
- **H. Res. 806-Rule providing for consideration of the Conference Report to accompany H.R. 3222 - Making appropriations for the Department of Defense for the fiscal year ending September 30, 2008, and for other purposes (Rep. Slaughter-Rules):** The rule waives all points of order against the conference report and against its consideration. The rule provides that the conference report shall be considered as read. Debate on the rule will be managed by Rules Committee Chair Rep. Louise Slaughter, and consideration will proceed as follows:
 - One hour of debate on the rule.
 - Possible vote on a Democratic motion to move the previous question. **Democrats are urged to vote yes on the motion.**
 - Vote on adoption of the rule. **Democrats are urged to vote yes on adoption of the rule.**

- **Conference Report to accompany H.R. 3222 - Making appropriations for the Department of Defense for the fiscal year ending September 30, 2008, and for other purposes (Rep. Murtha-Appropriations):** Debate on the Conference Report will be managed by Appropriations Committee Chair Rep. David Obey, or his designee, and will proceed as follows:
 - One hour of debate on the Conference Report.
 - Vote on adoption of the Conference Report. **Democrats are urged to vote yes on adopting the Conference Report.**

- **H. Res. 802-Rule providing for consideration of H.R. 3355-Homeowners' Defense Act of 2007 (Rep. Castor-Rules):** The open rule with a preprinting requirement provides one hour of general debate equally divided and controlled by the Chairman and Ranking Minority Member of the Committee on Financial Services. The rule provides that the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill shall be considered as an original bill for the purpose of amendment. The rule provides one motion to recommit with or without instructions. Debate on the rule will be managed by Rep. Castor, and consideration will proceed as follows:
 - One hour of debate on the rule.
 - Possible vote on a Democratic motion to move the previous question. **Democrats are urged to vote yes on the motion.**
 - Vote on adoption of the rule. **Democrats are urged to vote yes on adoption of the rule.**

- **H.R. 3355- Homeowners' Defense Act of 2007(Reps. Klein/Mahoney-Financial Services):** Pursuant to the rule, debate on the bill will be managed by Financial Services Committee Chair Rep. Barney Frank, or his designee, and will proceed as follows:
 - One hour of debate on the bill.
 - Debate and votes on amendments to the bill.
 - Possible debate and vote on a Republican motion to recommit the bill.
 - Vote on final passage of the bill. Democrats are urged to vote yes on final passage of the bill.

- **Conference Report on H.R. 3043 - 2008 Labor, Health and Human Services, and Education Appropriations (Rep. Obey – Appropriations) (Concur in the Senate Amendment):** Debate will be managed by Appropriations Committee Chair Rep. David Obey, or his designee, and will proceed as follows:
 - One hour of debate on the Conference Report/Concurring in the Senate Amendment.

- Vote to concur in the Senate Amendment/Adopt Conference Report. **Democrats are urged to vote yes to concur in the Senate Amendment and adopt the Conference Report.**

Bill Summary and Key Issues

Summary of the FY08 Defense Appropriations Conference Agreement

\$459.6 billion Fiscal Year 2008 Defense Appropriations Bill.

This conference agreement achieves a balance between preparing military units for near-term deployments, supporting our military members and their families, and modernizing our forces to meet future threats.

The conference agreement provides an increase of \$39.7 billion over the FY07 enacted level for the Department of Defense.

The following is a summary of the FY08 Defense Appropriations Bill that was agreed to by both House and Senate conferees:

Supporting Our Troops and Their Families:

- Provides a 3.5 percent pay raise for all military personnel, 0.5 percent above the President's request for a military pay raise.
- Rejects the President's proposed increases in TRICARE co-pays by fully funding the \$1.9 billion TRICARE shortfall without cost to our troops.
- Appropriates \$2.6 billion to provide our military families with the immediate need for more counselors, teachers, and child care providers. This is \$237 million more than the President's request and this funding is urgently needed by our military families who are stressed by repeated and extended deployments.
- When our troops return from theater, we want them to return to the best facilities and services available. The bill provides \$615.7 million for Army facilities to upgrade

barracks, improve child care facilities and enhance community services at bases throughout the U.S., Europe and Korea.

Preparing Our Forces to Meet Future Threats:

- Fully funds the personnel, equipment and training costs of growing the Army by 7,000 troops and the Marine Corps by 5,000 troops.
- Provides an additional \$980 million to purchase essential National Guard and Reserve equipment. This will ensure that they have the necessary equipment to meet overseas deployment demands and to respond to natural disasters here at home.
- Appropriates \$3.15 billion to procure 20 F-22 advanced tactical fighter aircraft.
- Supports the Army's evolution to a larger and more rapidly deployable force by providing \$3.4 billion for continued development of the Future

Combat Systems, \$925 million for additional Stryker vehicles, and \$157 million for the procurement of four Joint Cargo Aircraft.

Fostering Economic Stability in Weapons Programs:

- The bill provides \$938 million above the President's request for advanced construction funding of five additional ships (1 LPD-17 Amphibious Transport Dock, 3 T-AKE Ammunition/Dry Cargo Carrier, 1 Virginia Class Submarine). This procurement increase is essential to ensuring the stability of our country's shipbuilding industry and to maintain sea superiority.
- The Joint Strike Fighter (F-35) program is critical to our nation's ability to field a modern and capable fighter. The bill fully funds the President's request and adds \$200 million for production enhancements that will help drive down procurement costs and \$480 million to continue development of an alternative engine, thereby ensuring a competitive and reliable base for engine production.

Providing Accountability and Oversight:

- DoD contract spending has grown significantly, while lacking accountability and plagued by cost overruns. The bill provides funding for additional Inspector General civilian personnel to provide much needed oversight on DoD contract services.
- The GAO found that between the year's 2000-2005, O&M service contracts increased more than 73 percent. Over that same period of time DoD civilian pay costs increased 28 percent, thus negating any preconceived plan to save money by contracting out. The bill increases funding for defense contract management and oversight and reduces funding for contracted services by 2 percent across the services, attributable to efficiencies and savings with improved management and oversight.
- Directs the Secretary of Defense to develop uniform personnel standards and accountability for all DoD contracted security services, and to establish a clear set of rules-of engagement for those contracted security personnel operating in both Iraq and Afghanistan.
- Requires the Department to include all funding for both non-war and war-related activities in the President's fiscal year 2009 annual Defense budget report, eliminating separate war-related "emergency" supplemental spending bills.

Additionally:

- Provides an increase of \$900 million above the President's request for the Defense Health Program. Major increases include \$70 million for the Wounded Warrior Assistance program, \$138 million for peer-reviewed breast cancer research, \$80 million for prostate cancer research, and \$10 million for ovarian cancer research. HIV/AIDS research and prevention programs receive a total of \$16 million.
- Includes provisions restricting the establishment of permanent bases in Iraq and prohibiting the use of torture.

H.R. 3355 - HOMEOWNERS' DEFENSE ACT OF 2007

TITLE I — Natural Catastrophe Risk Consortium: Establishes a completely voluntary Federal/State Consortium to encourage and facilitate ceding of natural catastrophe risk from Qualified Reinsurance Programs into the private markets, particularly the catastrophe bond markets.

- Consortium serves as conduit issuer of catastrophe bonds and coordinator of reinsurance agreements on behalf of the participating States' Qualified Reinsurance Programs;
- Consortium does not assume underlying risks, take possession of bond proceeds, nor can it incur debt;
- Consortium intended to leverage economies of scale and the diversification of the type and location of catastrophe risks to achieve reinsurance costs lower than those available to states independently;
- Consortium intended to increase the efficiency of the catastrophe bond market through standardization.

TITLE II — National Homeowners Insurance Stabilization Program: Creates Federal loan program to provide post-event financing to Qualified Reinsurance Programs while those programs accumulate capital sufficient to pay their reasonably anticipated reinsurance losses.

- Provides 5 to 10-year Liquidity Loans (at comparable Treasury rate plus 3%) to Qualified Reinsurance Programs to cover shortfalls between a the program's accumulated capital and that program's total liabilities;
- Secondly, Title II provides 10-plus year Catastrophic Loans (at comparable Treasury rate plus 0.2%) to cover losses in excess of a Qualified Reinsurance Program's total liabilities;
- Loan terms and "penalty" rates designed so that Federal Government is lender of last resort;
- State residual insurance market entities may only participate in Title II's loan programs during a five-year transitional period.

TITLE III — General Provisions: Sets out specific requirements that State catastrophe reinsurance programs must satisfy before Treasury Secretary can certify program/entity as a Qualified Reinsurance Program. Only Qualified Reinsurance Programs may participate in the Consortium and loan programs created in Titles I and II.

- At present, more than 30 States are potentially eligible to participate in the Consortium and loan programs through a State natural catastrophe program or a State residual insurance market entities (i.e., FAIR Plans/Wind pools);

- To be pre-certified as a Qualified Reinsurance Program, as State program must:
 - Reinsure all personal residential lines of insurance (i.e., homeowners insurance);
 - Reinsure only risks in their state deemed truly catastrophic by the Treasury Secretary.
- Participating States must also:
 - Ensure any cost savings realized through State insurance or reinsurance programs pass through to primary policyholders;
 - Require compliance with applicable building codes;
 - Require State insurance and reinsurance programs to establish rate structures that take into account measures to mitigate losses;
 - Require State insurance and reinsurance programs to establish risk-based rates;
 - Encourage State insurance and reinsurance programs not to cross-subsidize between various insurance lines of coverage.

H.R. 3688 – United States-Peru Trade Promotion Agreement Implementation Act

The Peru FTA —First Steps in a New Trade Policy for America

Democrats have succeeded in achieving important first steps in a fundamental shift in U.S. trade policy in the Peru FTA. The Peru FTA has been amended to incorporate key Democratic priorities – priorities that will expand and shape trade in ways that spread the benefits of globalization here and abroad by raising standards. Key provisions include:

Core Labor Standards

- A fully enforceable commitment that FTA countries will adopt, maintain and enforce in their laws and practice the five basic international labor standards, as stated in the 1998 International Labor Organization Declaration on Fundamental Principles and Rights at Work.
- A new, fully enforceable, binding commitment prohibiting FTA countries from lowering labor standards.
- New limitations on “prosecutorial” and “enforcement” discretion – FTA countries cannot defend the failure to enforce laws related to the five basic standards due to resource limitations or decisions to prioritize other enforcement issues.
- Same dispute settlement mechanisms/penalties as other FTA obligations.
- Clear actions by the Government of Peru to implement in Peru’s labor laws the five basic ILO standards.

Environment

- A fully enforceable commitment that FTA countries adopt, implement and enforce in their laws and practice obligations under seven common major multilateral environmental agreements (MEAs), including CITES and the Montreal Protocol.² Provision to add additional, new common MEAs.
- A new, fully enforceable, binding commitment prohibiting FTA countries from lowering environmental standards.
- Same dispute settlement mechanisms/penalties as other FTA obligations.

- A groundbreaking “conflict of laws” provision – where a covered MEA obligation affects an obligation under an FTA, the FTA cannot be used to undermine the MEA obligation.
- For Peru, a groundbreaking, fully enforceable Annex requiring Peru to take major specific steps to crack down on all illegal logging, and additional action to stop illegal logging of mahogany. Unprecedented provision allowing the United States to investigate illegal logging of mahogany in-country, and stop questionable shipments at the border.

Generic Medicines

- Change the “data exclusivity” provision (period in which a generic manufacturer may not use clinical test data of an innovative drug manufacturer) to allow generics to enter the market more quickly than under the old provision (by having “concurrent period” of data exclusivity).
- Include exception in FTAs that the “data exclusivity” provision does not preclude FTA countries from taking measures to protect public health and from utilizing the WTO “health solution.”
- Eliminate requirement that a drug regulatory agency withhold approval of a generic until it can certify that no patent would be violated if the generic were marketed; strengthen and expedite judicial processes in countries to ensure patent rights of innovative drug companies are respected.
- Eliminate requirement that an FTA country extend the term of a patent on a pharmaceutical product for delays in the patent and regulatory approval process. Instead, ensure expeditious patent and regulatory approval process.

Government Procurement

- Groundbreaking provision that allows U.S. Federal and State governments to condition government contracts on contractors adhering to the five basic labor standards and acceptable conditions of work and wages. (Existing provision allows conditioning of contracts on use of recycled materials.)

Port Security

- Clarify that the U.S. has full, non-challengeable authority to prevent foreign companies from operating U.S. ports, based on national security concerns.

Investment

- Explicitly state that foreign investors in the United States will not be accorded greater substantive rights with respect to investment protections than U.S. investors in the United States.

LABOR, HEALTH AND EDUCATION CONFERENCE REPORT

\$150.7 billion, \$6.2 billion above 2007 and \$9.8 billion above the President's budget request.

Education: \$60.7 billion, \$4.5 billion above the President's budget request, to improve education with targeted investments to:

- Support No Child Left Behind programs that improve K-12 education such as Title I grants to help low-income kids, teacher quality efforts, and after school programs;
- Educate kids with disabilities with IDEA Grants; and
- Help families pay for college with Pell Grants and other higher education initiatives.

Labor: \$12 billion, \$1 billion over the President's budget request, rejecting the President's cuts and making important investments in:

- Job training programs including adult, youth, and dislocated worker training and Job Corps; and
- Worker protection efforts at the Mine Safety and Health Administration (MSHA) and the National Institutes for Occupational Safety and Health (NIOSH).

Health and Human Services: \$68.5 billion, \$5.3 billion over the President's budget request for targeted efforts including:

- Improving Healthcare through programs like Community Health Care centers to improve healthcare access, and programs to train nurses and other healthcare professionals;
- Medical Research at the National Institutes of Health (NIH) to study diseases like diabetes, cancer, Parkinson's, and Alzheimer's;
- Fighting Poverty with Community Service Block Grants and Social Services Block Grants;
- Helping kids with Head Start;
- Improving public health with work done at the Centers for Disease Control; and
- Helping families facing rising energy prices with the Low Income Home Energy Assistance Program (LIHEAP).

Quote of the Day

"The test for whether or not you can hold a job should not be the arrangement of your chromosomes."-Bella Abzug, who first introduced ENDA in the House in 1974.